

Mr. Modai was offered another, unspecified cabinet post but the Likud leader, Foreign Minister Yitzhak Mordechai, vowed Wednesday that his bloc would leave the government, causing its collapse, unless Mr. Modai remained in his post.

A spokesman for Mr. Shamir said Likud agreed earlier Thursday to Mr. Modai switching posts within the cabinet "in the national interest and to maintain the government of unity."

An Israeli radio said that leaders of the Likud party voted to consent to the compromise proposal drawn up by a self-appointed mediator, Rabbi Avraham Shapira, who heads the Finance Committee of the Knesset, or parliament.

Under the coalition agreement (Continued on Page 5, Col. 1)

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Negotiations In Budget Ruled Out By Reagan

By R.W. Apple Jr.
New York Times Service
WASHINGTON — President Ronald Reagan has ruled out negotiations of dragging his feet on adopting a 1987 budget, saying legislation appeared unable to break a Senate filibuster.

Mr. Reagan, in a nationally broadcast news conference Wednesday, said he would be "too hard" for Congress to attempt further cuts in the military spending levels he has proposed when there are other federal programs that should be cut.

Earlier in the day, the president met with House and Senate Republican leaders and said that he was not willing to negotiate with Republicans over the budget. He said that he was not willing to negotiate with Republicans over the budget.

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Miskito Indians at one of the UN refugee camps near the Nicaragua-Honduras border.

5,000 Miskito Indians Take Refuge in Honduras

The Associated Press
AUXA, Honduras — About 5,000 Miskito Indians have left Nicaragua in the last two weeks to seek refuge in makeshift Honduran camps, according to an official of the UN High Commissioner for Refugees.

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AIDS Vaccine Tests Proposed

Scientists Report Success in Splicing Gene Into Virus

By Harold M. Schmeck Jr.
New York Times Service
NEW YORK — Scientists in the United States, using genetic engineering techniques, have succeeded in splicing a gene that causes AIDS into a harmless virus and plan to seek approval before the end of the year to test it on humans as a possible protection against AIDS.

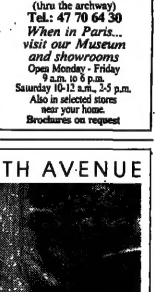
The new vaccine was modified from the vaccinia virus, the only vaccine that has eradicated a human disease, smallpox.

Experts had estimated that the first successful AIDS vaccine would not be developed before the 1990s. If the next stages of the current research are successful, that timetable might be shortened considerably.

Before the drug is tested on humans, approval would have to be obtained from the Food and Drug Administration.

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Top Salvadoran Officers Suspected in Abductions

United Press International
SAN SALVADOR — Four high-ranking Salvadoran military officers are being investigated for allegedly operating a kidnapping ring that abducted wealthy businessmen and collected about \$5 million in ransom over three years, according to sources close to the case.

The sources, who asked not to be identified for their own security, said Wednesday that the officers, three of them on active duty, were implicated in the most extensive investigation ever here of clandestine violence by the far right.

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New Equipment Detects Forged U.S. Passports

Los Angeles Times Service
LOS ANGELES — In a three-week test of new U.S. equipment for detecting forged or altered passports and visas, 282 people from 60 countries were caught with invalid documents, the Immigration and Naturalization Service says.

In a similar period last year, when inspectors examined travel documents with the naked eye, only 41 people were intercepted.

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Troop Transport Has Flaw Before Crash in Canada

Washington Post Service
HULL, Quebec — The Arrow Air charter plane that crashed Dec. 12 at Gander, Newfoundland, killing all 248 soldiers and eight crew aboard, had numerous problems in the days before the disaster, according to the results of an official Canadian investigation.

Crew members who flew on the 25-year-old DC-8 the day before the crash told investigators that warning lights on the plane came on at times and that one of the engines was operating at about 100 degrees Fahrenheit (about 55 degrees Celsius) hotter than the others, requiring adjustments at takeoff.

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Locusts Pose Threat to Sahel, FAO Reports

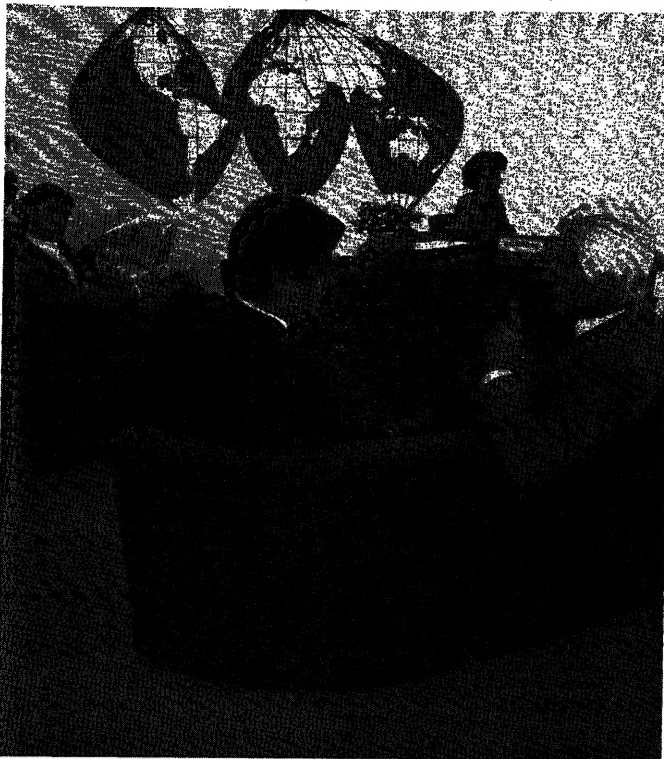
Agence France Press
ROME — An invasion by locusts capable of destroying hundreds of thousands of acres of crops will threaten the West African Sahel region where thousands of the insect have been hatching in May, the United Nations Food and Agricultural Organization said Thursday.

The agency called for \$4 million in international aid for a campaign of spraying more than 1.25 million acres (500,000 hectares) with pesticides.

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LaRouche, in '88 Race, Decries 'Drug Lobby'

By Dennis Bell

Los Angeles Times Service

WASHINGTON — Lyndon H. LaRouche Jr., calling his critics "druggies and communists" and labeling the U.S. government as "criminal or insane," has predicted that he will lead "the forgotten majority of conservative Democrats" to the White House in 1988.

Mr. LaRouche, declaring his candidacy for president, fielded questions for an hour Wednesday at the National Press Club.

He shrugged off his critics as front men for the international drug trade.

"I've never been attacked in any significant form except by the drug lobby," he said. "As far as this garbage that I'm a Nazi or anti-Semitic that comes from the drug lobby charges circulated by a drug-lobbying organization called the ADL," ADL stands for the Anti-Defamation League of Paul Poth, a Jewish human rights organization.

He went on to describe the drug lobby as "formally, the Playboy Foundation."

"If you want to stop the drug traffic," he said, "you have to detect the flow of drug-money receipt-issuance through the bank-

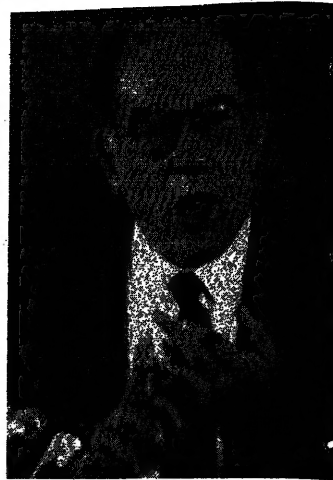
ing system and you have to put the bankers who do that, like Donald Regan, presently chief of staff of the White House, out in jail where they belong."

Mr. Regan is the former chairman of the brokerage firm of Merrill Lynch, Pierce, Fenner and Smith.

Mr. LaRouche called Wednesday for a return to economic policies of the Revolutionary War era, such as protective tariffs, saying the American Revolution was fought to abolish free trade. He also urged a return to Depression-era tactics such as mammoth public works projects to wipe out what he called the problem of 23 million unemployed workers.

In the appearance before dozens of reporters, Mr. LaRouche engaged in a heated exchange with an NBC News correspondent, Mark Nykanen, who rebuked him for many of Mr. LaRouche's followers had turned over their personal assets to his organization. Mr. LaRouche described as "absolutely disgusting" reports this week on NBC that addressed this and other issues involving his movement.

He ended the exchange by saying to Mr. Nykanen, "How can I talk with a drug pusher like you?"



Lyndon H. LaRouche Jr. at his press conference.

In Europe, a Student 'Co-Thinker' Organization

International Herald Tribune

PARIS — In Europe, the organization headed by Lyndon H. LaRouche is known as the European Workers' Party.

Founded in West Germany in 1974 and based in Wiesbaden, West Germany, the European organization has branches in Sweden, Denmark, Italy and France.

Its titular head is Hilda Zapp-LaRouche, Mr. LaRouche's wife. The group calls itself a

"co-thinker" organization of Mr. LaRouche's National Democratic Policy Committee.

The European Workers' Party supports European unification, a strong U.S.-Europe alliance and the nuclear power industry.

Strikingly anti-communist in its public statements, the organization frequently criticizes the Soviet Union. It advocates strong measures against the sale and use of illegal drugs and calls for the swift development of the Third World.

The New Solidarity International Press Service, Mr. LaRouche's main information service, also has offices in Europe and Latin America.

The Executive Intelligence Review, a publication offering briefings on international topics to the business community, labor leaders and public officials, says that it draws its information from an international network of correspondents.

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LaRouche Reveling in New Prominence

(Continued from Page 1)

have all this outrage" following the Illinois primary.

"They've never before gotten so much press, so much media," he said. "Groups like that don't care what you say about them. They can tell their followers: 'Look at what the media, the Rockefeller, and all the others are doing to us, your great leader.'"

Mr. LaRouche has announced his fourth run for the U.S. presidency and says he can see no one else on the horizon who can do the job.

His followers say more than 780 candidates are running for office this year under the aegis of the LaRouche organization, although they refuse to release a list. In the interview, Mr. LaRouche said he believed 1986 might be the breakthrough year for his philosophy.

But wide scope of the candidates running under the LaRouche banner are longtime supporters, others indicate they know little about the movement's philosophy and positions. One, a U.S. Senate candidate from Iowa, said he became involved with Mr. LaRouche's organization, the National Democratic Policy Committee, because he assumed it was an affiliate of the national Democratic Party. There is no connection.

At first glance, the issues emphasized by Mr. LaRouche's political group, such as supporting the idea of a space-based defense against missile attacks, seem a normal part of the political debate.

In recent speeches and articles, Mr. LaRouche urges a return to traditional moral values, warns of a Soviet military buildup, assails drug trafficking and expresses a deep confidence in the progress of science and technology. His political group has placed great emphasis on the outbreak of AIDS, urging a program of mandatory mass testing and the quarantining of those who suffer from acquired immune deficiency syndrome.

In the interview, Mr. LaRouche said such issues as AIDS, crime and economic distress were attracting increasing numbers of blue-collar workers, farmers and minorities to him.

But behind these and other themes that might raise few eyebrows at a meeting of conservatives

is a constellation of conspiracy theories, articulated in language far beyond the normal bounds of political discourse.

Asked if he believed that Queen Elizabeth II was knowingly involved in drug trafficking, Mr. LaRouche said, "Of course she is."

Mr. LaRouche also asserts that there is an international network of drug traffickers that includes not only the British but also numerous banks and public officials. Mr. LaRouche persistently warns of Soviet plans for world domination, in sometimes apocalyptic terms. He has been accused of anti-Semitism, but in the interview he denied that allegation.

What he opposes, he said, is "religious Zionism."

He also contends that a variety of forces are plotting to kill him. In the interview he said the KGB, the Soviet security agency, was "on my tail." He said Mr. Kissinger, the former secretary of state, had "run operations against me, and these have been operations that involved assassination threats and assassination potentialities."

British intelligence also has worked against him, Mr. LaRouche said, and numerous others have plotted to kill him. Asked about these accusations, he said, "You can't put them all in the same — they are not all part of one coherent plot." But, he added, "in each case where we name someone, there is a basis for it." Now, he said, "I have got Colombian drug pushers and some others — there's a hit out against me."

As a result of those fears, Mr. LaRouche lives on a heavily guarded estate in Leesburg, Virginia, and he did not permit news cameras on the site because he feared the disclosure of his security arrangements.

Over the years there have been persistent complaints that LaRouche supporters have harassed, heckled and menaced people they

perceived as critics or opponents.

"Of the groups I had to deal with," said Charles T. Manatt Jr., the former chairman of the Democratic National Committee, "I considered them by far the biggest base of my existence."

Mr. Kissinger is one of the most frequent targets of Mr. LaRouche's attacks. In his speeches and writings, Mr. LaRouche has accused Mr. Kissinger of being a "Soviet agent of influence," of "orchestrating" the 1973 war in the Middle East and the 1973-74 oil crisis and of generally playing "a key role in every bloody and treasonous act

perceived as critics or opponents."

In 1976, as a candidate of the U.S. Labor Party, he got only about 40,000 votes. Still, starting in the mid-1970s, as he turned more extremist and as his group began attracting serious attention from the news media, his writings increasingly emphasized his own personal political importance.

In a 1979 autobiography, he wrote, "During the last several years it has become increasingly evident that I have gained more degree of importance in respect to shaping current world history." He also wrote that "by a large margin of advantage" he was "the leading economist of the 20th century."

In 1980, Mr. LaRouche and his followers founded the National Democratic Policy Committee. Almost immediately, Democratic Party officials objected that Mr. LaRouche was trying to deceive people, leading them to believe that his group was associated with the Democratic Party, an idea Mr. LaRouche disputes.

Over the years, some people have been deceived. In 1982, for example, Mr. LaRouche managed to arrange a meeting with the President of Mexico, Jose Lopez Portillo. Officially, Mr. LaRouche was a Mexican official, but the Mexican told him that LaRouche had presented himself as an official of the Democratic Party, "an official recalled."

Today, National Democratic Policy Committee literature boasts that the organization has recruited hundreds of citizens to run for political office as LaRouche Democrats. But some, though certainly not all, of the recent entries said they had had little contact with Mr. LaRouche's movement, and several said they were unfamiliar with his full platform.

Cullen Meyer, a 64-year-old Ohio veterinarian, said a LaRouche representative called him one night in February and asked if he wanted to run for Congress. "I don't know where they got my name," Mr. Meyer said.

He said he was a longtime Democrat and had always wanted to run for office, so he decided to accept the offer. The LaRouche organization got the required signatures to secure him a place on the ballot in the Democratic primary for Congress, he said.

When his local newspaper asked him if he was a LaRouche candidate, Mr. Meyer replied: "I am generally speaking, a liberal, not a follower of a rigid conservative group, although I have associated with rigid conservative people all my life." Mr. Meyer said he was disturbed by "their then-thought attitude expressed by many people toward the LaRouche group."



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Herald Tribune

Published With The New York Times and The Washington Post

A Deal With Gorbachev?

President Reagan has been turning up the pressure against Soviet claims for a test-ban moratorium. The Soviet leader, Mikhail Gorbachev, has been floating a series of arms control proposals calculated to divide the Western alliance and hinting that he will not accept another broad summit agenda. Yet he now signals that he intends to visit Mr. Reagan this year, as agreed in Geneva. The Russians are still coming.

To the pugilists in the Pentagon, this is an American scandal that ought to be exploited. They would press ahead with heavy military budgets and "star wars," cancel old arms agreements, and raise the stakes in regional conflicts.

To the diplomats in the State Department, the same facts suggest an opportunity finally to test the premise of all Reagan policies: First, military and economic strength, and then negotiate for a more stable balance of power, arms control and Soviet restraint of the West. The Russians may resent all the crowing about their weakness but are encouraging Mr. Reagan to follow the course of negotiation. Unless he has been cynical and incoherent during the years when that is the course he should, and will, pursue.

Mr. Reagan's idea has been coming in just as the Kremlin has been receding. Even if his trillion-dollar military buildup included waste, the effort has left the Russians pent-up and forced excavating channels between civilian and military investment. The "star wars" competition for enormous sums is a further challenge for Moscow; the collapse of oil prices, a primary Soviet source of hard currency, a further handicap.

Why then should Mr. Reagan choose this moment to see a deal? And why would not Mr. Gorbachev feel as Mr. Reagan did five years ago — too vulnerable to bargain effectively? Because the superpowers' history and analyses of their future show that their relationship is not a zero-sum game. What is bad for one is not necessarily good for the other; what is good for one may be good for both.

Profound tension strains both economies. The arms race now threatens to escalate beyond effective control. The United States should perceive itself as being briefly "ahead," tension on secure advantage to either side. Promises from the superpowers also strain the European alliances and makes them susceptible to foolish confrontations elsewhere.

Besides, as Mr. Gorbachev surely is telling his colleagues, the Reagan military legacy will reverberate long after the president leaves office in 1989. If the Russians feel disadvantaged now, they may come to feel even weaker before their economy recovers. Until then, a new form of arms control and negotiated stability could have the blessing of a highly popular and powerful American president.

Mr. Reagan, too, has to begin thinking beyond his term; two years remain to cash in on his military buildup and economic success. He has always described such strength as the means to a larger end, significant arms reduction, stability in Central Europe and effective coexistence elsewhere.

The president was clear about these large goals at the Geneva summit conference. He asked the Russians to permit a truly neutral regime in Afghanistan, to stop using Cuban troops and to permit American arms in the Middle East, to cooperate against terrorism and to show more respect for human rights. Mr. Gorbachev gave as good as he got on "star wars," but he refused to discuss arms trade policy. In now agreeing to move toward a second summit session, he implicitly accepts Mr. Reagan's linkage of arms reduction to other areas of cooperation.

But does Mr. Reagan have a negotiating strategy for reaching his grand objectives? For him to hang tough for his larger agenda and to exploit Soviet anxiety about "star wars" was the easy part. Now the president must confront the opponents of a deal in his own administration and show that he can exploit the advantage so laboriously achieved. Mr. Gorbachev is coming because his agenda requires it, and he wants Mr. Reagan finally to state his price.

—THE NEW YORK TIMES

What the Mexicans Need

Mexico is again pressing the argument that it is entitled to more aid from industrial countries than it is now getting. Its minister of finance, Jesús Silva Herzog, suggested this week that the chief beneficiaries of falling oil prices might share some of the burden with the countries on which the fall falls the greatest hardship. That is not an unreasonable claim, but both Mexico and the United States must think carefully about the aid of help that would be wasted. There is no point in talking about forgiving loans or granting more foreign aid. That is unrealistic. Mexico's debts are too large.

Much of the maneuvering going on over debts and repayments is directed toward a series of international meetings. One of the ways here in Washington with the semiannual meetings of the World Bank and the International Monetary Fund. Next month the heads of the seven lending agencies will meet in Tokyo for their annual summit meeting on economic strategy. In all of these discussions, Mexico will hold a prominent place as the most urgent and most difficult of the debt cases.

What Mexico needs from the industrial countries is the means for its economic growth and social improvement. That does not mean magically wiping away loans. But it does mean

that the industrial countries must keep their markets and trade expansion steadily open.

Conversely, Mexico has its own clear responsibilities. Most of its debt was created by capital flight, as wealthy Mexicans moved their money out of the country. Mexico needs the kind of stable policy that has some hope of inducing at least part of that money to return. It needs to support at home the conditions for faster growth. As it undertakes reforms, it can expect help from abroad.

The United States has the strongest possible interest in the success of Mexico's economy. Distress in Mexico means distress in one of the United States' most important export markets. It also means additional waves of illegal immigration and problems also on the Mexican side of the border. Mexico needs the kind of relationship with the United States, it is hard to think of any point of foreign policy that demands American attention more compellingly.

The international meetings, in Washington and in Tokyo, are not likely to produce any sudden dramatic announcements. Solutions will have to be worked out by the countries involved. Managing the debts is possible, but it will require more than technical skill. It is going to take a degree of real statesmanship, both in Mexico and in the United States.

—THE WASHINGTON POST

Other Opinion

Nicaragua Is Not Vietnam, but...

Historical analogy is tricky business, and Nicaragua is not Vietnam. That said, the White House keeps producing chilling reminders that the United States once followed a trail of misinformation and intrigue and tunnel vision deep into the jungles of Southeast Asia. The latest is a report that the administration would use some of the \$100 million it wants from Congress to send Green Berets to train Nicaragua's guerrillas.

Historians, looking back on Vietnam, say that it demonstrated that no war, large or small, can sustain support from Americans if they are confused about the facts and about the reasons why fighting is necessary. As for Washington, it is a warning to the administration that it was shipping weapons to rebels in El Salvador. Now it is a menace on so many other

grounds, the president's top advisers say, that any anti-Communist intervention in Managua must be wiped out. The armed forces of the United States remember the lesson of the importance of public support. Congress must be told that the United States once followed a trail of misinformation and intrigue and tunnel vision deep into the jungles of Southeast Asia. The latest is a report that the administration would use some of the \$100 million it wants from Congress to send Green Berets to train Nicaragua's guerrillas.

—The Los Angeles Times

Lurching Toward a 2d Summit

It appears that preparations for a second U.S.-Soviet summit are back on track, but it is far from certain whether the two sides will agree to meet in mid-June for better reasons. Much more will be required to prepare a solid foundation for U.S.-Soviet relations.

—The Financial Times (London)

FROM OUR APRIL 11 PAGES, 75 AND 50 YEARS AGO

1911: Congress Tailors Canada Pact

WASHINGTON — No doubt is expressed that the Reciprocity Agreement with Canada will pass both houses of Congress at an early date. Democratic leaders are confident that there will be no objections of farmers that the benefits derived from the agreement are not shared by them but are at their expense. It is probable that an agreement will be reached to amend simultaneously the Reciprocity Agreement and a bill granting concessions to farmers, by placing on the free lists, or reducing the tariff on, articles farmers have to buy. A resolution in the House calls on the President to open negotiations with Canada to secure a supplemental agreement providing for the free importation into both countries of numerous manufactured products. Among these are fresh, dried and smoked fish, flour, meats, farm wagons, agricultural machinery and lumber.

1936: Jobless Army Invades House

WASHINGTON — The House of Representatives was forced to adjourn by the invasion of a rain-soaked army of 900 hunger marchers who staged a protest in front of the U.S. Capitol for three hours, demanding food and shelter to the tune of the "Internationale." The hungry hordes were in Washington to attend the national convention of the Workers Alliance. As Congress was in session this morning (April 10), they stormed the Capitol in a noisy manifestation in favor of a \$6-million emergency appropriation for food and shelter, and the demand of Representative John Taber, a Republican of New York, for a quorum forced adjournment until next week.

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Arms Control: A Stone Wall Has Two Sides

By Alton Frye

WASHINGTON — "Nothing is settled until all is settled" was the principle on which Andrei Gromyko approached negotiations when he was Soviet foreign minister. It was a form of the old adage often made concrete progress hostage to the comprehensive breakthrough, the achievable deal vulnerable to the unachievable.

The Gromyko maxim was the source of much consternation to Western diplomats. Sound agreements languished on the verge of signing as Mr. Gromyko and his Soviet diplomats stonewalled on relatively minor points. In many instances the doctrine produced an unyielding rigidity that left no room for compromise. Time and again this characteristic of Soviet negotiating style thwarted Western attempts for pragmatic accords.

One recalls this hallmark of Soviet diplomacy for several reasons. To begin with, recent initiatives from Moscow have been of a different quality than those of the past. They have been, indeed, in some respects, a new kind of "Gromyko" move. It is not that many aspects they must be mere propaganda ploys.

After all, skeptics say, Soviet leaders simply do not make the kinds of on-the-spot concessions that the new generation of Soviet leaders is capable of. It is not that they are not serious when they accept President Reagan's standing demand for respect for human rights. It is not that they are not serious when they accept the demand for arms control.

But does Mr. Reagan have a negotiating strategy for reaching his grand objectives? For him to hang tough for his larger agenda and to exploit Soviet anxiety about "star wars" was the easy part. Now the president must confront the opponents of a deal in his own administration and show that he can exploit the advantage so laboriously achieved. Mr. Gorbachev is coming because his agenda requires it, and he wants Mr. Reagan finally to state his price.

—THE NEW YORK TIMES

keeping with Moscow tradition that his declaration that an agreement on intermediate-range weapons should await settlement of other disputes, particularly concerning the Strategic Defense Initiative? Perhaps Gromyko was to his credit. Perhaps taking his own word, of all people, that notorious advocate of agreeing now on what can be agreed, George F. Shultz.

Mr. Gromyko need not abandon hope. His doctrine may yet survive — in the West. As Mr. Gorbachev has

readiness to meet U.S. insistence that on-site verification accompany any comprehensive ban on nuclear weapons tests, the U.S. position shifts. It is a shift from a position of commitment to a comprehensive test ban notwithstanding the United States now as a condition that there can be no such accord as long as it relies on nuclear weapons as part of its arsenal.

At one watches the process of Soviet concession breathing an escalation in U.S. demands, there is the conviction of a diplomatic inversion. Classical Gromykosian acquires an

The Gromyko maxim, 'Nothing is settled until all is settled,' may yet survive — in the West.

brought new momentum and flexibility to Soviet negotiating tactics, some Americans and allies have been assuming Mr. Gromyko. They are upping their ante in ways that suggest more interest in avoiding agreements.

To the offer of an early deal on intermediate-range nuclear forces in Europe, the United States appears to be saying, "Fine, but of course you also have to get rid of your intermediate-range weapons systems and the shorter-range rockets in Europe as well." Pressed by its allies, America is also alerting the Russians to the necessity for solutions to conventional force imbalances before moving very far on curbing nuclear weapons.

Similarly, as the Russians declare a

American accord, "Nothing is settled until all is settled. . . . What's mine is mine, what's yours is negotiable. . . . Concessions are the sign of weakness or stupidity, not of a search for common ground."

There is a danger that the fluidity in East-West relations may be distracting Mr. Gorbachev's keen focus on the more serious problems of the Soviet economy. The urgent need now is to probe them — cautiously but thoroughly. Having said so much on achieving real arms control, the United States cannot afford to give the impression that it is evading meaningful agreements by changing its

terms. To do so would sap public confidence while handing Mr. Gorbachev the very propaganda victory the skeptics think he is seeking.

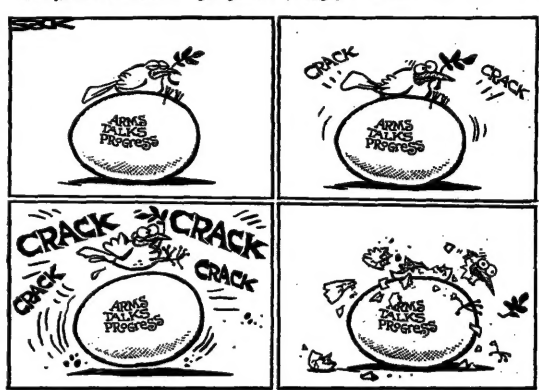
A specific imperative flows from these considerations: an early compromise on intermediate-range nuclear force reductions in Europe. There is a clear and present danger that the entire arms-control process may bog down once more on that issue, as it did during Mr. Reagan's first term.

In overall strategy the intermediate weapons are trivial, hundreds of weapons among the thousands deployed in the growing strategic arsenals on both sides. If every intermediate-range nuclear missile were eliminated, every relevant target in Europe, Asia and the Pacific would still be targeted by strategic weapons.

The United States and its allies have got to keep their eyes on the larger problem of regulating the strategic arsenals. It will serve no one's interest if the negotiations devolve over the intermediate-range missiles and delay addressing the more complex issues lurking on the strategic agenda.

Mr. Reagan's goal of dealing in strategic forces may now be achievable, but we will never know unless he breaks through the impasse of intermediate-range nuclear forces. Emulating Andrei Gromyko is not the way to do it.

The writer, Washington director of the Council on Foreign Relations, contributed this column to the Los Angeles Times.



Poland, Inured to the Stick, Might Go for the Carrot

By Franklin J. Havlicek

NEW YORK — American relations with Poland, at a standstill since 1981, have begun to inch forward. The United States' substantial aid package, announced in Poland, encourages it to move toward more normal relations by ending economic sanctions and extending trade credits to \$30 billion. But such steps also raise serious questions about Washington's commitment to Polish human rights.

There may be some point in lifting the sanctions imposed in response to martial law. Even most leaders of the banned Solidarity trade union now feel that this should be done. But if it is, the United States must be prepared to lift the economic and human rights sanctions. Treasury Secretary James A. Baker said last week that the United States would lift the economic and human rights sanctions if Poland agreed to lift the martial law.

For several years, the Reagan ad-

ministration has held to three conditions for the lifting of sanctions: the end of martial law, the release of all political prisoners, and the suspension of a dialogue between the government, the Roman Catholic Church, and Solidarity.

General Wojciech Jaruzelski has made several gestures toward world public opinion — he did not, for example, prohibit the return of the Polish debt held by Western nations in October — but the "normalization" process in Warsaw clearly does not meet the three conditions.

The problem, from Washington's point of view, is that continuing the sanctions is unlikely to lead to more progress for lifting the martial law.

In the past, recipients of IMF loans have been required to adopt severe measures to strengthen the private sector — particularly in agriculture, small business and light manufacturing — as a condition.

For one thing, financial aid should be used to strengthen the private sector — particularly in agriculture, small business and light manufacturing — as a condition.

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trade and debt relations conditioned on an improved human rights record. General Jaruzelski has in the past opposed such conditions, but Poland's desperate need for debt relief and increased trade may create new opportunities now.

Since 1984, the United States has withdrawn its objection to Poland's application to join the International Monetary Fund. Only 10 percent of the Polish debt held by Western nations is American, but the United States can effectively block approval of membership because of its 20 percent vote on the board of the fund. This is important in itself but also because IMF membership is a prerequisite for joining the World Bank.

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NYSE Most Actives

Vol.	High	Low	Last	Ch.
IBM	140.00	139.00	139.00	-1.00
AT&T	100.00	99.00	99.00	-1.00
GE	80.00	79.00	79.00	-1.00
Amgen	60.00	59.00	59.00	-1.00
Amgen	50.00	49.00	49.00	-1.00
Amgen	40.00	39.00	39.00	-1.00
Amgen	30.00	29.00	29.00	-1.00
Amgen	20.00	19.00	19.00	-1.00
Amgen	10.00	9.00	9.00	-1.00
Amgen	5.00	4.00	4.00	-1.00

Dow Jones Averages

Open	High	Low	Last	Ch.
Index	1791.00	1785.00	1785.00	-6.00
Indus	1580.00	1575.00	1575.00	-5.00
Comp	1650.00	1645.00	1645.00	-5.00
Trans	1700.00	1695.00	1695.00	-5.00

NYSE Index

Open	High	Low	Last	Ch.
Index	1791.00	1785.00	1785.00	-6.00
Indus	1580.00	1575.00	1575.00	-5.00
Comp	1650.00	1645.00	1645.00	-5.00
Trans	1700.00	1695.00	1695.00	-5.00

AMEX Diaries

Class	Price
Advanced	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00

NASDAQ Index

Open	High	Low	Last	Ch.
Index	1791.00	1785.00	1785.00	-6.00
Indus	1580.00	1575.00	1575.00	-5.00
Comp	1650.00	1645.00	1645.00	-5.00
Trans	1700.00	1695.00	1695.00	-5.00

AMEX Most Actives

Vol.	High	Low	Last	Ch.
IBM	120.00	119.00	119.00	-1.00
AT&T	100.00	99.00	99.00	-1.00
GE	80.00	79.00	79.00	-1.00
Amgen	60.00	59.00	59.00	-1.00
Amgen	50.00	49.00	49.00	-1.00
Amgen	40.00	39.00	39.00	-1.00
Amgen	30.00	29.00	29.00	-1.00
Amgen	20.00	19.00	19.00	-1.00
Amgen	10.00	9.00	9.00	-1.00
Amgen	5.00	4.00	4.00	-1.00

Dow Jones Bond Averages

Open	High	Low	Last	Ch.
Index	1791.00	1785.00	1785.00	-6.00
Indus	1580.00	1575.00	1575.00	-5.00
Comp	1650.00	1645.00	1645.00	-5.00
Trans	1700.00	1695.00	1695.00	-5.00

NYSE Diaries

Class	Price
Advanced	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00

Odd-Lot Trading In N.Y.

Class	Price
Advanced	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00

Standard & Poor's Index

Open	High	Low	Last	Ch.
Index	1791.00	1785.00	1785.00	-6.00
Indus	1580.00	1575.00	1575.00	-5.00
Comp	1650.00	1645.00	1645.00	-5.00
Trans	1700.00	1695.00	1695.00	-5.00

AMEX Sales

Class	Price
Advanced	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00
Delayed	1.00

AMEX Stock Index

Open	High	Low	Last	Ch.
Index	1791.00	1785.00	1785.00	-6.00
Indus	1580.00	1575.00	1575.00	-5.00
Comp	1650.00	1645.00	1645.00	-5.00
Trans	1700.00	1695.00	1695.00	-5.00

Thursday's NYSE Closing

Vol. at 4 P.M. 184,768,000
Prev. 4 P.M. vol. 185,580,000
Prev. consolidated clos. 184,645,000

Trades include the nationwide prices
up to the closing on Wall Street and
do not reflect late trades elsewhere.

via The Associated Press

NYSE Higher in Active Trading

NEW YORK — Prices were higher at the close of the New York Stock Exchange Thursday in active trading.

The Dow Jones industrial average, which climbed 8.86 points Wednesday, rose another 15.86 points Thursday to close at 1,794.30.

Advances led declines by a 3-1 ratio. Volume totaled about 184.97 million shares, compared with 156.25 million Wednesday.

Prices were higher in active trading of American Stock Exchange issues.

Robert Kahan, head of equity trading at Montgomery Securities in San Francisco, said:

Although most U.S. stock market tables in this edition are from the 4 P.M. close in New York, for time reasons, this article is based on the market at 3 P.M.

Stocks got a boost from the bond market. Bonds were firmer on expectations of lower interest rates.

Mr. Kahan said the Dow was ready to go through 1,800 again and probably would register another gain Friday before resuming a period of "testing and filling."

"The market needs time to digest its gains," Mr. Kahan said.

Alan Ackerman of Herold & Stein said stocks and bonds were firming on the expectations of lower interest rates and an imminent Federal Reserve Board discount-rate cut.

Mr. Mohr, Exxon and Occidental Petroleum were higher.

a charging bull." He said that potential buyers have been waiting for a steeper correction before purchasing stocks, but that the market has shown it is "well-represented and wants to work its way higher."

At 3 P.M., an hour before the close, Navistar was the most active issue. A block of 43.7 million shares in the stock crossed jointly by Salomon Brothers and Shearson Lehman Brothers at \$10 a share, was the largest block ever to trade on the New York Stock Exchange, both in share volume and dollar value. The previous record was held by a 10-million-share block of Superior Oil that crossed on June 21, 1984, at \$42.575.

Navistar was up slightly.

R.J. Reynolds, American Brands and Philip Morris were sharply higher. The tobacco stocks have been rising since a U.S. appeals court in Philadelphia Wednesday reversed a lower court ruling that had held the federally mandated warnings on cigarette packages do not shield the tobacco industry from liability claims.

Johnson & Johnson was ahead. The company made several cost-saving moves resulting in an after-tax charge of \$250 million.

The technology sector was rebounding. IBM, Digital Equipment, Honeywell, National Semiconductor and Texas Instruments were up.

Among time chips, AT&T, McDonald's, Eastern Kentucky, General Motors and General Electric were up. Sears and U.S. Steel were lower.

Mr. Mohr, Exxon and Occidental Petroleum were higher.

To Our Readers

Because of the seven-hour time difference between New York and Paris until April 27, some items in the market summary above are from 1 P.M. New York time instead of the usual 4 P.M. Also because of the time difference, some smaller items elsewhere in the Business Section are from the previous day's trading. We regret the inconvenience, which is necessary to meet distribution requirements.

AMEX Most Actives

Vol.	High	Low	Last	Ch.
IBM	120.00	119.00	119.00	-1.00
AT&T	100.00	99.00	99.00	-1.00
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Amgen	60.00	59.00	59.00	-1.00
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Amgen	20.00	19.00	19.00	-1.00
Amgen	10.00	9.00	9.00	-1.00
Amgen	5.00	4.00	4.00	-1.00



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(Continued on Page 12)

Statistics Index

FRIDAY, APRIL 11, 1986

TECHNOLOGY

When Big Computers Try To Make Little Computers

By ANDREW POLLACK
New York Times Service

NEW YORK—Will computers be used to design other computers? That is the purpose of computer systems that design computer chips. The systems are known as silicon compilers—programs that act like a trusted assistant. Give the compiler a general idea of what you want them to do and they will take care of the details.

But despite much ballyhoo, silicon compilers have failed to catch on as fast as expected, according to analysts and vendors. One reason, perhaps surprisingly, is that electronics engineers can be as reluctant as anyone else to adapt to computers.

Silicon compilers "have kind of fallen into a hole and nobody knows what to do with them," said Andrew Rappaport, president of the Technology Research Group in Boston, a market research and consulting firm. Skilled circuit designers are in some cases "suspicious" of the new systems, Mr. Rappaport said.

Silicon compilers, which design chips, have been slow to catch on.

Silicon compilers are designed to do for chips what software compilers did for computer programming. In the early days, a computer could be programmed only by people who understood its language—a "virtually unintelligible" assembly language. In the late 1950s, however, compilers were developed that could translate such languages as Fortran or Cobol, which are easier to understand than assembly, into the machine's language. In the late 1950s, however, compilers were developed that could translate such languages as Fortran or Cobol, which are easier to understand than assembly, into the machine's language. In the late 1950s, however, compilers were developed that could translate such languages as Fortran or Cobol, which are easier to understand than assembly, into the machine's language.

COMPILERS go beyond the tools now offered for computer-aided engineering by companies such as Daisy Systems and Mentor Graphics. These tools help engineers organize their work but do not do the actual design. They are, in a sense, like a word processor that helps a writer change words around and can check the spelling. A silicon compiler would be analogous to a system that would let a writer type in an outline and have the computer change it into prose.

Silicon compilers, hailed as the next revolution, began appearing in late 1984. Today, they are sold mainly by three small, private companies—Silicon Compilers Inc. of San Jose, Calif.; Seattle Silicon Technology, Bellevue, Wash.; and Silicon Design Labs of Liberty Corner, N.J. Other companies, such as VLSI Technology Inc., use compilers internally to design chips for customers.

Part of the reason for slow sales is that the electronics companies that would buy the compilers have been in a slump. But another reason is that electronics engineers, like other people, do not like change. Some even fear that the computer systems will eliminate them out of a job, according to analysts. In addition, engineers argue, and correctly so, that while computers might do the design faster, people do it better. Computer-designed chips waste more space on the silicon, making such chips more expensive to manufacture.

By and large, the systems have not proved as simple or as versatile as promised.

"I think the technology was a little bit overhyped in the press and we were probably guilty of a little hype," conceded Stephen R. Pollock, systems marketing manager for Silicon Compilers. (Continued on Page 15, Col. 1)

Currency Rates

Currency	Rate
Australian dollar	1.38
British pound	1.65
Canadian dollar	0.75
French franc	6.55
German mark	2.36
Italian lira	1,366
Japanese yen	163
Netherlands guilder	3.60
New Zealand dollar	1.25
Portuguese escudo	200.48
Spanish peseta	166.64
Swedish krona	4.66
Swiss franc	1.48
West German mark	2.36

Interest Rates

Instrument	Rate
1-month T-bill	7.50%
3-month T-bill	7.75%
6-month T-bill	8.00%
1-year T-bill	8.25%
2-year T-bill	8.50%
3-year T-bill	8.75%
5-year T-bill	9.00%
10-year T-bill	9.25%
30-year T-bill	9.50%

Asian Dollar Deposits

Bank	Rate
Bank of America	5.50%
Citibank	5.75%
First National City	6.00%
Wells Fargo	6.25%

U.S. Money Market Funds

Fund	Assets
First American	\$1.2 billion
Fidelity	\$1.1 billion
Putnam	\$1.0 billion
Wellington	\$0.9 billion

Gold

Commodity	Price
Gold (per ounce)	\$350.00
Silver (per ounce)	\$10.00
Palladium (per ounce)	\$1,200.00
Platinum (per ounce)	\$1,500.00

Elders Buys BHP Shares

Raid Held to Be Setback for Bell

By Stephen Phillips
New York Times Service

SYDNEY—Elders Ltd., the Australian mining giant, has bought 1.5 million shares of BHP (Broken Hill Pty., the country's largest company, which is being sought by Robert Holmes & Narver.

Elders, best known for its Foster's lager, paid 15.5 billion dollars (\$1.1 billion) to buy about 200 million shares of BHP in a hostile takeover. The raid pushed the Australian share market to an all-time high with record volume.

Elders said it now holds 16.5 percent of the multinational oil, steel and mining group, and announced that it would be acting as a white knight to rescue BHP from a \$2-billion-dollar cash bid by Mr. Holmes & Narver, chairman of Bell Resources Ltd.

Bell Resources is seeking a 20 percent holding in BHP. That stake would give it 17.5 percent of the company, which is currently held by a group of international investors. Bell Resources said it had already accumulated on the market, would give Mr. Holmes & Narver control of BHP.

Brian Linton, BHP's managing director, said his board would hold an emergency meeting Friday.

The Elders said it had pushed BHP shares up 78 cents to 7.35 dollars by the close of trading on the Sydney Stock Exchange Thursday.

Market analysts said Elders' purchase may have dented the initial Bell Resources bid for BHP.

"Obviously, [the Bell bid] has been a little bit of a basting today and it's not looking anywhere as strong as it did," said Ian Story, of the stockbroking firm Meares & Phillips.

It remained unclear Thursday whether Elders had come to BHP's rescue or had other plans for the company.

John Elliott, chairman of Elders, said only that his company had authorized a takeover bid.

The All Ordinaries Index closed 43.9 up at an all-time high of 1,197.7, eclipsing its previous March 25 record of 1,165.5.

With Fertilizer Demand Weak...

Total U.S. fertilizer consumption, in thousands of short tons



Source: U.S. Agriculture Department and American Fertilizer Association

Earnings Plummet At ILMC

Operating earnings for quarters ending Dec. 31, in millions of dollars



The New York Times

Fertilizer Maker Braves Farm Slump

International Minerals' Strategy Depends on Size, Savvy

By Stephen Phillips
New York Times Service

CHICAGO—International Minerals & Chemicals Corp. has long boasted of being the biggest and most profitable fertilizer company in the world. Now, with the U.S. farm economy hitting its lowest point since the Depression, the company is counting on its size and savvy to help it survive.

With a new federal program to reduce the number of acres under cultivation, demand for the three basic fertilizers—potash, phosphate and nitrogen—is expected to drop 7.5 percent in 1986, to 20.4 million tons. Demand is already off 15 percent from 1980, industry's best year. And, according to the U.S. Department of Agriculture, fertilizer prices, down between 20 and 40 percent since 1981, will fall another 10 percent this year, according to ILMC officials.

Belt tightening, price cuts and a more favorable long-term outlook have hardly helped most fertilizer companies. Five large fertilizer producers in the United States, including ILMC, have sold their unprofitable potash operations in the past 18 months, while two phosphate producers—Baker Industries and Gardner Inc.—have filed for protection under Chapter 11 of the federal bankruptcy code.

ILMC has taken some punishment, too. One analyst, American U.S. Research, Inc., of New Jersey, predicts the company's operating income for the fiscal year ending June 30 will fall 38 percent, to about \$133 million, from \$214.4 million. ILMC says it might have a net loss for the year, after posting net income of \$119.6 million in 1985.

But the company, based in the Chicago suburb of Northbrook, has moved aggressively to lessen its dependence on the farm market. It paid \$675 million to Avon Products Inc. in December to acquire its Melinco division, which makes specialty chemical and medical products.

Moreover, virtually all of ILMC's estimated 700 million tons of phosphate mining reserves were

bought more than 20 years ago, before the price of the reserves jumped during the booming farm years of the 1970s.

"They've bought the reserves that are on the books for next to nothing," said Martin Rober, an analyst with Montgomery Securities in San Francisco. "As a result, they mine phosphate for five cents a ton. That's how they're making money when nobody else is."

And with the industry in a shakeout phase, ILMC has taken advantage by acquiring even more reserves. Last December, it signed a leasing agreement with an option to buy phosphate rock reserves and processing plants from American Cyanamid Co. and Kerr-McGee Corp. The transaction is subject to Justice Department approval.

"It's a sharp deal," Mr. Rober said. "They've bought a competitive and are using American Cyanamid's facilities, which will cut ILMC's operating costs. But more importantly, they've captured another 10 percent of the U.S. market."

With demand expected to increase a bit in the next few years—and production costs falling in the energy-intensive industry because of the sharp drop in oil prices—ILMC should be poised for a comeback, analysts say. For now, though, it is still going through one of the roughest periods in its 77-year history.

"It's always been an up-and-down business, with the good periods balancing out the downturns," said George D. Kennedy, ILMC's president and chief executive. "But now, the cycles are more erratic, harder to predict, more pronounced. As it is, it's harder to manage."

Even the export market, ILMC's saving grace for the past two years, has taken a downward turn. China, ILMC's biggest foreign market, representing 20 percent of its fertilizer sales, has cut back orders this year. The company has been using its own shipping lines out of Vancouver, British Columbia, (Continued on Page 15, Col. 1)

IMF Panel Asks Further Cuts in Interest Rates

WASHINGTON—The International Monetary Fund's policy-making Interim Committee said Thursday that it welcomed recent moves in interest rates and would like to see further cuts.

In its official communiqué, issued after two days of discussion, the committee said it "welcomed the decline in interest rates and hoped that further progress in reducing fiscal pressures and inflation would allow this process to continue."

The IMF and the World Bank are holding their semiannual meetings this week in Washington.

The committee said further cuts would help capital formation and the growth of output and employment, alleviating "the debt burden of developing countries."

It added that "structural policies" aimed at improving efficient allocation of resources continue to be of central importance.

The committee said it welcomed the progress in strengthening the current debt strategy, but said the process must continue, must be tailored to individual cases and must attempt to promote long-term growth in debtor countries.

The communiqué also said that, in some cases, further concerted lending by commercial banks in support of economic adjustment efforts was needed in amounts and on terms appropriate to the circumstances and prospects of individual countries.

"Flexibility in rescheduling official debt was considered essential in support of sound adjustment programs," the communiqué added.

The committee said it welcomed moves by official export-credit agencies in industrial countries toward resuming or increasing cover, on a case-by-case basis, "for countries whose debt has been rescheduled and which are undertaking the policy adjustment necessary to restore their creditworthiness to the world market."

The committee said, however, that export credits should not be

come a substitute for new funds from special banks.

The committee also said that, if better exchange-rate performance is to be achieved, economic policies must be conducted "in a sound and mutually consistent way" and that exchange-rate considerations must "play their part in these policies."

The communiqué asked the IMF's executive board to consider modifying the exchange-rate system to increase stability without sacrificing flexibility.

It also asked the committee to consider the need for a new allocation of special drawing rights by the IMF. Special drawing rights are the IMF's fungible assets allocated to the books of central banks in proportion to their quotas.

Bank of England Agrees to Sale of JMB to Westpac

LONDON—The Bank of England said Thursday that it had signed an agreement to sell the core business of Johnson Matthey Bankers Ltd. to Westpac Banking Corp. of Australia.

The sale price amounts to a \$17.5-million (\$22.5-million) premium over the net worth of the business being transferred. Industry sources said the net worth would be about \$20 million.

Westpac is not acquiring JMB's portfolio of bad loans, which led to its collapse in late 1984. These loans are being retained by the Bank of England.

A Bank of England spokesman said the bank expected to recover all of the \$100 million that it injected into JMB.

The bank announced the acquisition of JMB from Johnson Matthey PLC on Oct. 1, 1984, after its auditors pinpointed about \$150 million in bad and doubtful loans.

4 Major U.S. Banks Post Rise in Quarterly Profits

United Press International

NEW YORK—Chemical New York Corp., Irving Bank Corp., Bank of New York Co. and Marine Midland Banks Inc. reported Thursday that earnings rose in the first quarter of 1986, with the increase was principally generated by an expansion of loan volume.

Marine Midland Banks reported first-quarter earnings rose 54 percent to \$38.2 million, or \$1.69 a share, compared with \$24.5 million, or \$1.37 a share, a year earlier.

Net income totaled \$210 million, an increase of 14.2 percent from the \$184 million reported in the first quarter of 1985.

The company also announced Thursday that it had entered into an agreement to acquire Western Financial Service Corp. for \$33 a share.

Congress is urged to pass a bill authorizing interest-earning assets of failed banks. Page 16.

To \$102.6 million, or \$1.93 a share, compared with \$89.7 million, or \$1.68 a share, in the first quarter of 1985.

Net interest income, on a taxable equivalent basis, was \$489.9 million, up 9.3 percent from \$448.1 million a year ago.

The bank said the increase was attributable to higher levels of real estate and consumer loans, increased holdings of municipal securities and to a wider spread.

Irving Bank Corp. reported its earnings in the first quarter increased 11.3 percent to \$30.4 million, or \$1.61 a share, compared with \$27.3 million, or \$1.44 a share, a year earlier.

Net interest income increased 5.7 percent to \$140.5 million, compared with \$133 million a year earlier. The company said the increase was due in part to a higher average volume of interest-earning assets, primarily loans.

Bank of New York said its first-quarter earnings jumped 25.1 percent to \$41.1 million, or \$1.97 a share, compared with \$32.8 million from \$23 million.

They set all-time quarterly records in securities gains, trading income and foreign exchange, added Ronald J. Mandel, the banking analyst at Paine Webber Inc.

Net gains on investment securities—principally government and municipal obligations—rose as well to \$58.1 million from \$7.1 million. Income from trading foreign currencies tripled to \$7.6 million from \$2.5 million.

Furthermore, as part of American Express Bank Ltd., private banking at TDB includes a number of unique benefits. Through this global link, our clients have access to the special investment opportunities offered by the American Express family of companies—world leaders in the financial services field. For certain clients we also provide American Express Bank Gold Card® privileges and our exclusive Premier Services™ for round-the-clock personal and travel assistance.

While we move with

Chinese Official Reaffirms Support for Special Zones

Compiled by Our Staff From Dispatches

BEIJING—A senior official reaffirmed government support Thursday for China's special economic zones, criticized by some, and said they had benefited the policy of Deng Xiaoping, China's supreme leader.

Gu Mu, the state councillor who is responsible for overseeing development of the four zones and 14 open coastal cities, said the zones "constantly made contributions" in economic management and foreign-exchange earnings.

As a result of the open policy, foreign businesses last year signed contracts with China involving a total of \$5.85 billion in foreign investment, up 120 percent from 1984, Mr. Gu said.

The 1,300 Chinese-foreign joint ventures set up last year matched the total during the previous five years, he said. Mr. Gu did not say



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TDB is a member of the American Express Company, which has assets of more than US\$70 billion and shareholders' equity in excess of US\$5 billion.

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BUSINESS ROUNDUP

RHF Reports Profit
Rose 14.8% in 1985

Frankfurt—Beifang RHF & Frankfurt Bank reported Thursday that group net profit for the year ended Dec. 31 was 68.4 million Deutsche marks (\$32.9 million), up 14.8 percent from the previous year.

The year-end balance sheet total was 26.3 billion DM after 24.4 billion DM in 1984, when group net profit was 59.6 million DM.

Parent bank partial operating profit rose to 14.0 million DM from 12.3 million DM.

Klaus Subjatzki, one of five partners in the bank, said that total operating profit rose much more

Walker Supports Offer
from TransCanada

Toronto—Hiram Walker Resources Ltd.'s board recommended Thursday that shareholders accept TransCanada Pipelines' offer to acquire all Walker shares at 36.50 Canadian dollars (\$24.50) per share. The offer is valued at \$5 billion.

Walker recommended that First Investment Corp., in which it is a 49-percent partner, accept the offer for 50 million Walker shares at 40 dollars per share.

COMPANY NOTES

Agriport Computers PLC said it had won a three-year contract to supply microcomputers to W & T Avery, a unit of Britain's General Electric Co.

Japan, the French construction group, offered to pay 60 francs (\$8.60) per share on the Paris Bourse in its offer to acquire all Walker shares at 36.50 Canadian dollars (\$24.50) per share. The offer is valued at \$5 billion.

Cadbury Pacific Airways Ltd. shares equivalent to 17 percent of share capital outstanding will be privately placed with three Hong Kong companies ahead of a public flotation of 15 percent of the airline's stock, financial advisers said. The companies are Hui Shing Co., Whampoa Ltd., Chem Kong (Holdings) Ltd. and Lysan Development Co.

Yamaha Electric Co. of Japan said it and Xian

GE's Net Up 5%;
Westinghouse
Advances 4.2%

The Associated Press

NEW YORK—General Electric Co. has posted net profit of \$377 million for the first quarter of 1986, up 5 percent from a year ago.

Westinghouse Electric Corp., which also reported on Wednesday, said its net profit in the period was \$135.2 million, up 4.2 percent.

GE, based in Fairfield, Connecticut, said sales for the first quarter were 5 percent lower, at \$5.8 billion. Per-share earnings were \$1.18. In the first quarter of 1985, GE posted net profit of \$311 million on \$4.3 billion in sales.

In Pittsburgh, Westinghouse reported first-quarter sales of \$2.55 billion and per-share earnings of 88 cents. In the first quarter of 1985, the first quarter of 1985, GE posted net profit of \$129.7 million on sales of \$2.3 billion.

GE said the 1986 results included additional charges against earnings for corporate restructuring costs. The company did not report the earnings of its nuclear power division.

GE said a strike by 7,500 workers in Massachusetts from Feb. 21 to March 21 halted output of aircraft engines.

RTZ Profit Rose 6% in '85
But Sales Declined by 11%

LONDON—Rio Tinto-Zinc Corp., the British mining and industrial company, reported Thursday that pretax profit rose 6 percent to \$716.7 million (\$1.02 billion) in 1985, from \$676.1 million a year earlier.

However sales declined 11 percent to \$5.31 billion from \$5.99 billion in 1984, the company said.

On a per-share basis, pretax profit for 1985 amounted to 76 pence, compared with 69 pence a year earlier.

Pretax profits of domestic RTZ operations declined 13 percent to \$121 million in 1985, from \$139 million a year earlier.

RTZ's North American operations saw profits fall 15 percent to

Company Results

Revenue and profits of income, in millions, are in local currencies unless otherwise indicated.

Company	1985	1984	1985	1984
RTZ				
Revenue	\$5,310	\$5,990	£1,020	£1,080
Profit	\$717	\$676	£120	£110
Westinghouse				
Revenue	\$2,550	\$2,300	£400	£350
Profit	\$135	\$129	£20	£19
GE				
Revenue	\$5,800	\$5,300	£900	£800
Profit	\$377	\$311	£55	£45

THE TOP FRENCH QUALITY FIRMS

COMITÉ COLBERT

Martell: Exporter Extraordinaire

Reni Friso Martell, President

When Jean Martell founded his celebrated cognac business in 1715, his first priority was exporting. Today, 271 years later with the family firm into the ninth generation, exports to 140 countries represent 97 percent of turnover. "Our market is the world," says Martell president Reni Friso Martell. "Exporting is our second nature."

Involved in the early 17th century cognac first found in England, where it has flourished ever since, only becoming popular established on the French market in the 1920s. It has often been linked to a spirit of adventure and even their French clients carried Martell abroad. Sarouf, who sailed the high seas as a dashing corsair under Napoleon, was a customer and a corsair and a half later, polar explorer Paul-Emile Victor stowed up with Martell for his expedition to the South Pole.



The success of Martell's superb cognacs, among the leading brands worldwide for centuries and currently number one in England, Italy, Hong Kong and Singapore, is the result of a careful combination of ancient techniques welded to modern mechanization. The art of distillation and the immovable ritual of ageing the alcohol in casks crafted by hand from the oak of the Trappist forest planted by Colbert, are unchanged since the 17th century. This is the key to the mystical metamorphosis of the limpid eau de vie into the amber aromatic essence of fine cognac. In their cellars, over 144,000 barrels lose an equivalent of two million bottles a year in evaporation, called "the angel's share" by the poets of the Charente.

Their distinctive cognac style depends on the almost infallible skill of the cellar master as he composes, constructs and balances a symphony of vineyard and growths into the perfect marriage of a marvellous Martell cognac. Then it is blended in a new \$11 million computerized assembly system. "The larger the amount blended," explains Friso Martell, "the better the resulting quality." Specific Martell appellations range from the Three Star or VS, the youngest and all-over best seller, to the exceptional elegance of the Extra, bottled only after more than 40 years of patient ageing. Their most recent introduction, Cordon Rubis, is a lighter, drier, medium-age blend.

This unrelenting attention to detail has reaped financial rewards. Turnover was up almost nine percent last year to \$800 million and a slight increase is forecast for 1986 despite the decline in the dollar and sterling. Emphasis is being placed on expansion in the United States and the Far East, where cognac is drunk like table wine with meals instead of in the Western way as an aperitif or after-dinner liqueur.

Two new ventures, Perfums Jacques, bought in 1981, whose new fragrance, Parfum Rose, was launched last fall and a range of leathergoods, J. & F. Martell, launched last September, soon to be joined by a line of silk scarves and ties, share the inherent Martell magic: lasting quality, top-of-the-line luxury and, most of all, they are eminently exportable.

"AN ASSOCIATION OF THE MOST PRESTIGIOUS NAMES OF THE FRENCH 'ART DE VIVRE', 288 RUE DE LA BALAÏE, 75003 PARIS.

AN ANNOUNCEMENT BY THE COMITÉ COLBERT

AIR CANADA

Montreal, Quebec, Canada

(A federal Crown corporation)

Wholly owned by the Government of Canada

Exchange Offer

Air Canada proposes

the exchange of their	the exchange of their
DM 100,000,000	DM 100,000,000
9 % Deutsche Mark Bonds of 1982/1992	7 1/2 % Deutsche Mark Bonds of 1983/1993
("Old Bonds 1992")	("Old Bonds 1993")
for	for
up to DM 100,000,000	up to DM 100,000,000
9 % / 7 % Subordinated Bonds 1986 ff	7 3/4 % / 7 % Subordinated Bonds 1986 ff
("9 % / 7 % Bonds")	("7 3/4 % / 7 % Bonds")

Interest rate and payment of interest of the 9 % / 7 % Bonds: 9 % payable annually in arrears on 19th August of each year until 18th August, 1992. Change of interest rate: as well as interest payment date on 19th August, 1992: From 19th August, 1992 the Bonds bear interest at the rate of 7 % per annum. Interest shall be payable annually in arrears on 4th June. The first coupon and the first interest payment at the rate of 7 % per annum shall be due on 4th June, 1993.

Interest rate and payment of interest of the 7 1/2 % / 7 % Bonds: 7 1/2 % payable annually in arrears on 4th June of each year until 3rd June, 1993. Change of interest rate on 4th June, 1993: From 4th June, 1993 the Bonds bear interest at the rate of 7 % per annum. Interest shall be payable annually in arrears on 4th June. The first coupon and the first interest payment at the rate of 7 % per annum shall be due on 4th June, 1994.

Summary of the terms of the 9 % / 7 % Bonds and the 7 1/2 % / 7 % Bonds (the "New Bonds"):

Life:	until the liquidation, if ever, of Air Canada
Amount:	up to DM 100,000,000 for each, the 9 % / 7 % Bonds and the 7 1/2 % / 7 % Bonds, respectively
Issue Price:	100%
Denomination:	DM 1,000 and DM 10,000
Redemption at the Option of Air Canada:	All the New Bonds, but not part only, may be redeemed at 102 % of their principal amount on 4th June, 2001 and thereafter on every fifth anniversary at that date at 100 % of their principal amount
Taxation:	Principal and interest shall be paid without withholding in respect of any present or future taxes or duties of whatsoever nature levied by or in Canada
Listing:	Application will be made to list the New Bonds on the Frankfurt Stock Exchange
Exchange Restrictions:	The New Bonds will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or delivered in exchange for Old Bonds directly or indirectly in the United States of America, as part of the solicitation of tenders of Old Bonds and the acceptance of the Exchange Offer.

The New Bonds may not be offered or delivered in exchange for Old Bonds directly or indirectly in contravention of the securities laws of Canada or any province or territory thereof.

For the holders of Old Bonds the exchange for New Bonds shall be free of charge and stock exchange turnover tax.

This Exchange Offer expires on 12th May, 1986.

The holders of Old Bonds may accept the Exchange Offer through their respective depositary bank or CSFB-Effektenbank AG, Frankfurt am Main, (the "Exchange Agent").

Old Bonds tendered for exchange must be transferred by Securities Transfer Order to Frankfurter Kassenverein AG, Frankfurt am Main, in favour of the Exchange Agent, no later than 20th May, 1986.

On or before 27th May, 1986 (Effective Date of Exchange), a temporary Global Bearer Bond will be issued for each, the 9 % / 7 % Bonds and the 7 1/2 % / 7 % Bonds, respectively, and deposited with Frankfurter Kassenverein AG, which will credit each depositor bank, or its named depositary for the account of the beneficial owner, with its respective principal amount of New Bonds.

The definitive bonds are expected to be delivered not later than 30th September, 1986.

The Exchange Offer in respect of Old Bonds 1992 is conditional, inter alia, upon the valid tender to Air Canada of a minimum of DM 25,000,000 aggregate principal amount of such Bonds. The Exchange Offer in respect of Old Bonds 1993 is conditional, inter alia, upon the valid tender to Air Canada of a minimum of DM 25,000,000 aggregate principal amount of such Bonds. In case the Exchange Offer shall not become effective Old Bonds presented for exchange will immediately be returned.

The Preliminary Information Memorandum (containing the full text of the Conditions of Issue and information on Air Canada) and the Exchange Offer with Instructions (together the "Offering Material") may be obtained from CSFB-Effektenbank AG, Wertpapierverwaltung, Kaiserstraße 30, D-6000 Frankfurt am Main 1. Telephone (069) 2691-527 or (069) 2691-238.

The Offering Material, the Dealer Agreement and the Letter of Tender are being sent to certain banks contacted by CSFB-Effektenbank AG as Exchange Agent, but may also be obtained by any other depositary bank at the address mentioned above.

The Exchange Offer in respect of Old Bonds 1992 is conditional, inter alia, upon the valid tender to Air Canada of a minimum of DM 25,000,000 aggregate principal amount of such Bonds. The Exchange Offer in respect of Old Bonds 1993 is conditional, inter alia, upon the valid tender to Air Canada of a minimum of DM 25,000,000 aggregate principal amount of such Bonds. In case the Exchange Offer shall not become effective Old Bonds presented for exchange will immediately be returned.

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Computers From Computers

(Continued from Page 13)

whose sales of \$10 million in 1985 were half what it expected. Harold S. Allen, vice president of customer engineering for Silicon Design Corp., agreed. "There's just an awful lot of work to be done," he said.

Still, most analysts and executives think there is a bright future for the technology. General Motors Corp. signed a contract last month to buy systems from Seattle Silicon and to buy a small equity stake in the company.

And this week, LSI Logic of Milpitas, California, introduced a silicon compiler, the largest company yet to do so. LSI Logic, however, came out with a compiler that can design infinite variations of just one type of chip—one that multiplies numbers and accumulates the

results. The company believes it will be better to bring out a family of chips, each tailored for a specific type of chip.

Experts say computer design of chips is inevitable because chips are becoming so complex—with millions of transistors on a fingernail-size piece of silicon—that more human beings can no longer do the design alone.

Net Asset Value on
April 3, 1986

Pacific Selection Fund N.V.
U.S.\$50.43 per U.S.\$1 unit.

Pacific Selection
Fund N.V.

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US \$80,000,000 Floating Rate Notes 1985-1988

The rate of interest applicable to the interest period from April 9, 1986 up to October 9, 1986 as determined by the reference agent is 7 1/2 % per cent per annum, namely US \$37.81 per note of US \$1,000.

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BUSINESS PEOPLE

Mobil Names New Asia Managers

By Brenda Erdmann

LONDON — Mobil Oil Corp. announced top-level appointments to new subsidiaries in the Asia-Pacific region.

The New York-based oil and gas concern has named Kerry R. Wark chairman and managing director of its Hong Kong unit. He was general manager of operations at Mobil Oil Australia in Melbourne.

Mr. Wark, an Australian, takes over from Robert Merritt, who has been transferred to Wellington as chairman and managing director of Mobil Oil New Zealand. Before Mr. Wark took over in 1983, Mr. Merritt, who is also an Australian, was managing director of Mobil Oil Australia.

Mr. Merritt succeeds Lindsay Ferguson, who has become managing director of Mobil Oil New Zealand. Mr. Wark's international marketing and refining division in New York, where he has been since 1980, was responsible for Mobil's international marketing and refining division in New York.

Mr. Wark, who has been since 1980, was responsible for Mobil's international marketing and refining division in New York. He will be based in Hong Kong.

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McElwaine Quits Post as Chief at Columbia Films

United Press International

LOS ANGELES — Guy McElwaine has resigned as chairman and chief executive officer of Columbia Pictures, the motion picture division of Columbia Pictures Industries, the company has announced.

Columbia's chairman, Francis T. Vincent, said Wednesday that Mr. McElwaine "expressed a desire to pursue other interests and we wish him well in his future endeavors." A successor has not been named and Mr. Vincent said no further senior management changes are "contemplated at this time."

Mr. McElwaine said the decision was his. He said he would probably produce movies and television programs.

A former executive and chief executive officer of Rastar Pictures, Mr. McElwaine was named president of Columbia Pictures in July 1982 just after the studio's purchase by Coca-Cola Co. in 1982.

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search Inc., where he was director for southern European operations. Grotenscheim has set up a Far East representative office in Hong Kong headed by Peter Kira. The plan involves cutting the legs on the platform, set in 73 meters (239 feet) of water on Norway's southern continental shelf, and welding in six-meter steel lengths to regain lost clearance.

The operation, to be carried out this summer pending approval by Norwegian authorities, is expected to cost \$200 million.

Subsidence, in which the field's oil and gas reservoir is being slowly crushed under the weight of overlying rock, has caused Ekofisk platform to sink nearly three meters.

The platform, some weighing up to 30,000 metric tons (33,000 short tons), must be lifted in unison to avoid having to sever interconnecting gangways and production pipes, a Phillips spokesman said.

He said the job, dependent on good weather, would be coordinated by a central computer being fed information via satellite from position monitors on the platforms.

Phillips Plans Operation To Save Sinking Oil Field

Reuters

OSLO — A rescue plan has been proposed to save Norway's slowly sinking Ekofisk oil field operations by raising six steel oil platforms, Phillips Petroleum Co., the operator of the field, said Thursday.

The plan involves cutting the legs on the platform, set in 73 meters (239 feet) of water on Norway's southern continental shelf, and welding in six-meter steel lengths to regain lost clearance.

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CURRENCY MARKETS

Dollar Off Sharply in N.Y. Trading

Compiled by Our Staff From Dispatches

NEW YORK — The dollar was sharply lower late Thursday against major currencies after a mixed showing on hesitant trading in Europe.

Dealers in Europe said the dollar was nervous about a number of factors, including uncertainty over interest rates and heightened tension between the United States and Libya.

In late New York trading, the dollar fell to 2.2555 Deutsche marks from 2.3185 DM on Wednesday, to 1.9125 Swiss francs from 1.9545 francs, to 7.3095 French francs from 7.4435 and to 177.28 yen from 179.95 yen. The pound was also higher, at \$1.4835 from \$1.4800 on Wednesday.

The markets have been jittery all week about what currency initiatives might result from a series of international monetary conferences being held in Washington. Rumors have circulated widely that the U.S. discount rate will be cut again, while Group of Five officials, including the Federal Reserve chairman, Paul A. Volcker, have played down the likelihood of a concerted effort to drive the dollar down further.

The confusion continued Thursday in Europe, dealers said, and virtually unchanged from the year earlier period.

Consequently, the overall volume of medium- and long-term funds raised in the international market failed to set a record. At \$53.8 billion, the first-quarter activity fell \$12.3 billion short of the record pace of the final quarter of last year.

In the external bond market, \$51.6 billion was raised in the first quarter of this year, an increase of 11.2 percent from the previous high in the preceding quarter.

The majority of the new issues — about \$27.4 billion — were denominated in U.S. dollars, but the dollar's 53-percent share of the market was down from 68 percent in the year-earlier quarter.

Offerings in yen amounting to \$6.5 billion and Swiss francs at \$3.9 billion were the next most active sectors, followed by Deutsche mark bonds valued at \$3.9 billion.

"The easing of borrowing terms on most bond markets segments has provided a strong incentive to refinance older and more expensive issues," the report noted. It estimated that some \$9.4 billion of existing debt was retired prematurely during the first quarter, an annual average of \$4.7 billion last year.

London Dollar Rates

Currency	This Week	Week Ago
Dollar	2.2555	2.3185
Swiss franc	1.9125	1.9545
French franc	7.3095	7.4435
Yen	177.28	179.95

Monetary System parities continued to work their way through. "It could take a week or so for the market to get back to its firm direction," one dealer said, adding that the continued unwinding of positions taken up before the EMS alignment was sending "false signals" to the market.

Traders said the pound was also affected by the market's general lack of direction, though it continued to be well supported by firmer oil prices and protective interest rates, dealers said.

Starting was given additional support by a clear indication from the Bank of England that it did not want the U.K. base interest rate any lower than the present level of 11 percent.

A larger-than-expected rise in Britain's M3 money supply figures Wednesday appeared to have postponed the likelihood of further base rate cuts after the half-point reduction Tuesday, dealers added.

In other European trading, the dollar was fixed at 2.3308 DM in London, up from 2.3264 DM on Wednesday, and at 747.75 French francs in Paris, down from 741.55 francs. It fell in Rome to 1,698 Swiss francs from 1,693.33 francs Wednesday. (Reuters AP, IHT)

THE EUROMARKETS

Many Borrowers Said to Be Waiting in Wings

By Christopher Pizary

LONDON — The Eurobond market saw another rush of new bonds Thursday, with issues entering in almost all sectors of the market, dealers said.

One trader at a Canadian firm commented that "it's certainly a borrower's market at the moment." He added that there were plenty of other potential borrowers waiting on the sidelines in the hope that better terms than are currently being offered will shortly become available.

The secondary markets retained their recent firm undertone, although the overnight issues had a quieter day than of late.

The U.S. Federal Home Loan Mortgage Corp., or Freddie Mac, launched a \$200-million issue of collateralized mortgage obligations, which is the international portion of a total offering of \$330 million, the rest of which is being sold in the United States.

It is Freddie Mac's first debt offering backed exclusively by 15-year fixed-rate conventional residential mortgages and is also the first to be led by a Japanese firm, Nomura International Ltd.

The targeted registered arrangement has a 15-year maturity, although the average life will be 12 years. It pays a semiannual coupon of 7.9 percent and was priced at 102.

LTIC International Ltd. was the lead manager for the bond and quoted it at a discount of 1% compared with the total fees of 1% percent.

Thursday's
OTC
Prices
NASDAQ prices as of
3 p.m. New York time
See The Associated Press

Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change	Symbol	Price	Change
IBM	125.00	+1.00	AT&T	45.00	+0.50	GE	30.00	+0.25	MSFT	25.00	+0.75
Apple	18.00	+0.50	Intel	15.00	+0.25	Motorola	12.00	+0.10	Oracle	10.00	+0.30
Microsoft	25.00	+0.75	Novell	8.00	+0.15	Lotus	6.00	+0.10	Parsons	5.00	+0.20
Unisys	4.00	+0.10	Spacenet	3.00	+0.05	WorldCom	2.00	+0.05	Verizon	1.00	+0.05
Comcast	1.00	+0.05	Time Warner	0.50	+0.02	News Corp.	0.40	+0.01	Disney	0.30	+0.01
Walt Disney	0.30	+0.01	Amgen	0.20	+0.01	Boehringer	0.15	+0.005	Glaxo	0.10	+0.005
Novartis	0.08	+0.002	Schering	0.07	+0.002	Roche	0.06	+0.002	Sandoz	0.05	+0.002
Novartis	0.05	+0.002	Novartis	0.04	+0.001	Novartis	0.03	+0.001	Novartis	0.02	+0.001
Novartis	0.01	+0.0005	Novartis	0.01	+0.0005	Novartis	0.01	+0.0005	Novartis	0.01	+0.0005

SPORTS

Roggs Regains Swing, Bosox Still Strike Out

Compiled by Our Staff From Dispatches

NEW YORK — It has taken a few days, but the Boston Red Sox have regained their swing. Even if it's only a small one, it's a start. After striking out three times in the first inning of their game last night, the Sox scored four runs in the second and third innings to take a 4-1 lead over the Yankees.

The Sox's first run came in the second inning when Roger Clemens hit a home run off Yankees pitcher Dwight Gooden. Clemens' home run was the first of his career.

The Sox scored three more runs in the third inning. First, Dave Henderson hit a home run off Yankees pitcher Dwight Gooden. Then, Fred Lynn hit a home run off Yankees pitcher Dwight Gooden. Finally, Jim Rice hit a home run off Yankees pitcher Dwight Gooden.

The Sox scored their fourth run in the fourth inning when Jim Rice hit a home run off Yankees pitcher Dwight Gooden. The Sox won the game 4-1.

BASEBALL ROUNDUP

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Flyers, Nordiques, Black Hawks Fall In Night of Upsets

STANLEY CUP PLAYOFFS

Compiled by Our Staff From Dispatches

NEW YORK — The Edmonton Oilers got off on the right foot Wednesday night in defense of their Stanley Cup title, but three other division champions stumbled as the National Hockey League playoffs began.

In an evening of upsets, the New York Rangers stunned the Philadelphia Flyers, 6-2, in the Patrick Division; the Hartford Whalers turned back the Quebec Nordiques, 5-1, in overtime in the Adams Division; and the Toronto Maple Leafs beat the Chicago Blackhawks, 5-1, in the Norris Division.

A fourth team was on the road when the St. Louis Blues defeated the Minnesota North Stars, 5-1, in the Norris Division.

The Oilers won in 10 minutes of overtime, 4-3, in the Patrick Division. The Flyers' goalie, Ron Hextall, was not in the game. The Oilers' goalie, Grant Fuhr, was in the game.

The Whalers won in overtime, 5-4, in the Adams Division. The Nordiques' goalie, Patrick Roy, was in the game. The Whalers' goalie, Michel Goulet, was in the game.

The Maple Leafs won in overtime, 5-4, in the Norris Division. The Blackhawks' goalie, Mike Smith, was in the game. The Maple Leafs' goalie, Mike Smith, was in the game.

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UN Sammelson, far left, a defenseman for the Whalers, put his skate on the puck and the Nordiques' Michel Goulet into the boards on one play. The Capitals' Craig Laughlin, far right, held his ground against the Islanders' Steve Kozlowski.

For Umpire Denkinger, One Call Was Heard Too Well

By Malcolm Moran

PHOENIX — As the jet headed upward and New York began to look smaller and smaller, the man sitting in first class was staring at his head. "Did I really say those things?"

He smiled at the thought of those days of anonymity. Suddenly, passengers are taking about him as if he were a star. The Silver Fox in Waterford, Iowa, after he has recognized the name or the face. After 26 years in baseball, 18 in the major leagues, 10 as a umpire, three World Series appearances, two All-Star Games, numerous league championship series games and the Yankee Red Sox playoff in 1978, the events of two late October evenings in Kansas City have made Denkinger a reluctant celebrity.

"I have never, ever looked for celebrity status, or wanted people to know who I was," Denkinger said. "That's not part of my profession. My profession is to go out there and do an objective job. You slip in and slip out. Nobody knows where you're from. Nobody knows where you're going when it's over. You just go out and do your job."

These words changed for him on the last two nights of the 1985 season. First, he incorrectly ruled Jorge Orta of Kansas City safe at first base to begin the bottom of the ninth inning of the sixth game of the World Series, a decision that began a rally and eventually, cost them the game. Which led to the scene of the next night, when Whitney Herzig, the manager, and Jojo White, the pitcher, who had entered a hopeless situation in relief, continued their complaint against

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SCOREBOARD

Baseball

AMERICAN LEAGUE	NATIONAL LEAGUE
Red Sox 4, Yankees 1	Pirates 6, Cardinals 3
Angels 3, Mariners 2	Braves 5, Phillies 4
Indians 3, Athletics 2	Reds 4, Cubs 3
Twins 3, Tigers 2	Padres 4, Dodgers 3
Blue Jays 3, Royals 2	Mariners 3, Astros 2
White Sox 3, Brewers 2	Giants 3, Rockies 2
Mariners 3, Astros 2	Braves 3, Phillies 2
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White Sox 3, Brewers 2	Giants 3, Rockies 2

Hockey

National Hockey League Playoffs

ADAMS DIVISION	PATRICK DIVISION
Whalers 5, Nordiques 1	Oilers 4, Flyers 2
Whalers 5, Nordiques 1	Oilers 4, Flyers 2
Whalers 5, Nordiques 1	Oilers 4, Flyers 2
Whalers 5, Nordiques 1	Oilers 4, Flyers 2
Whalers 5, Nordiques 1	Oilers 4, Flyers 2
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Baseball

Major League Standings

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Golf's New Guard Is Moving In on Old Masters

By Mike Rabun

AUGUSTA, Georgia — The first round of the 1986 U.S. Open was already being sprinkled along the wayside of California and Florida a year ago when the participants came marching up Magnolia Lane and into the Old Club clubhouse to overlook one of the most lovely views in golf.

Until then, however, those chaps had been largely ignored. The U.S. Open, the most prestigious of American golf tournaments, had been a clubby affair, a place where the old guard reigned supreme. But now, the new guard is moving in.

For the first time, the U.S. Open has been won by a player who was not a member of the Old Guard. The winner, Greg Norman, was a 25-year-old Australian who had never won a major tournament before.

Norman's victory was a shock to the golfing world. He was not a member of the Old Guard, and he was not a member of the U.S. Open. He was a new guard, and he was moving in.

The U.S. Open has been a clubby affair for a long time. It has been a place where the old guard reigned supreme. But now, the new guard is moving in. The U.S. Open is no longer a clubby affair. It is a place where the new guard is moving in.

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VOLVO MONTE CARLO OPEN '86

APRIL 19-27 1986

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YANNICK NOAH

ANDRES GOMEZ

STEFAN EDERBERG

JOACHIM NYSTROM

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